

Agenda Report

January 7, 2008

TO: CITY COUNCIL

FROM: MAYOR

SUBJECT: APPROVAL OF AGREEMENT FOR INTERIM EMPLOYMENT
BETWEEN THE CITY OF PASADENA AND BERNARD K. MELEKIAN

RECOMMENDATION

It is recommended that the City Council approve the attached Agreement for Interim Employment between the City of Pasadena and Bernard K. Melekian for his services as Interim City Manager, effective January 8, 2008.

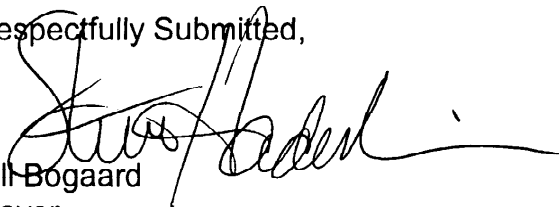
BACKGROUND

The attached agreement provides for the employment of Police Chief Bernard K. Melekian in the position of City Manager on an interim basis, effective January 8, 2008. In recent weeks negotiations have been completed, and the attached represents the agreement reached between the City Council and Mr. Melekian.

FISCAL IMPACT

None. Adequate funds are included in the adopted FY 2008 budget, and no additional appropriations are necessary.

Respectfully Submitted,


Bill Bogaard
Mayor

CONTRACT NO.

**EMPLOYMENT AGREEMENT BETWEEN THE CITY OF PASADENA AND
BERNARD K. MELEKIAN**

THIS AGREEMENT is entered into on January 7, 2008, by and between the City of Pasadena, a municipal corporation of the State of California, herein referred to as "City," and Bernard K. Melekian, herein referred to as "Employee."

WITNESSETH:

WHEREAS, it is the desire of City to retain the services of Employee as Interim City Manager and the desire of Employee to serve in that capacity; and,

WHEREAS, it is the desire of City to provide certain benefits, establish certain conditions of employment and set certain working conditions of Employee;

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE MUTUAL PROMISES, COVENANTS AND CONDITIONS HEREIN CONTAINED, THE PARTIES HERETO AGREE AS FOLLOWS:

1. EMPLOYMENT

City hereby agrees to assign Bernard K. Melekian as Interim City Manager of the City of Pasadena to perform the functions and duties specified in the City Charter, the Pasadena Municipal Code and the Resolutions and Motions of the City Council, and to perform such other legally permissible duties and functions as the City Council shall from time to time assign. Employee shall retain his regular status in the sworn classification of Police Chief, and shall have the right to return to such classification at the conclusion of the term of this Agreement.

2. TERM

This Agreement shall commence as of January 8, 2008, and shall continue at the pleasure of the City Council, and will remain in effect until terminated as provided for herein.

3. COMPENSATION

City agrees to pay Employee a base salary of \$230,352 annually, payable during the term of this Agreement on a biweekly basis. In addition, Employee shall receive all of the benefits currently provided him in his regular classification of Police Chief, including but not limited to, health contributions, life insurance, long term disability insurance, vacation, sick

leave, military leave, holidays, bereavement leave, such leave as is necessary for Employee's continued attendance and participation in the doctoral program in which he is currently enrolled at the University of Southern California, professional development allowance, use of a City vehicle, and payment of Employee's contribution to the California Public Employees Retirement System. It is acknowledged that the Employee is a member of the Reserve Component of the United States Coast Guard. City accepts the obligations associated with that status. Employee has stated his intent to retire from the military reserve effective July 1, 2008.

4. PERFORMANCE GOALS AND EVALUATION

The City Council shall define such goals and performance objectives which they determine are necessary for the proper operation of the City. Such goals and objectives will be reasonably attainable within the time limitations established and within the fiscal constraints of the annual operating and capital budgets and appropriations adopted by the City Council. The City Council may at any time during the term of this agreement conduct an evaluation of Employee's performance, which may include joint meetings with the full City Council or any committee of the City Council designated for this purpose. The City Council shall provide an adequate opportunity for Employee to discuss his evaluation with the City Council.

5. NOTIFICATION OF LEAVE FROM OFFICE

Employee shall provide the Mayor with reasonable notice prior to taking two or more consecutive vacation or administrative leave days off.

6. PROFESSIONAL DEVELOPMENT EXPENSES

- A. In addition to the professional development allowance provided Employee in the capacity of his regular employment, City agrees to pay for professional dues and subscriptions necessary to Employee's participation in national, regional, state and local associations and organizations which are necessary and desirable for his professional participation and for the good of the City.
- B. City agrees to pay for the travel and subsistence expenses of Employee for professional and official travel, meetings, and occasions adequate to pursue necessary official and other functions for City, including but not limited to attendance at conferences of the International City Management Association, the League of California Cities, and such other national, regional, state and local government groups and committees thereof at which

attendance by Employee serves City's best interests. Employee shall pay for all expenses of his spouse if she accompanies him on such trips.

- C. City agrees to budget and pay for the travel and subsistence expenses of Employee for short courses, institutes and seminars that are necessary for his professional development and for the good of the City as determined by the Mayor, in his reasonable discretion.

7. TERMINATION OF INTERIM APPOINTMENT

- A. City may terminate this contract and the interim appointment provided for herein at its sole discretion at any time. City will provide the Employee with as much notice as is practical of the City's intention to end the interim appointment to the position of City Manager. No severance pay shall be owed as a result of the termination of this agreement regarding Employee's interim appointment to the position of City Manager.
- B. Employee agrees to provide City with 60 days' notice of his intention to voluntarily end the interim appointment and return to his regular position of Police Chief.
- C. If so requested by the City Council, Employee shall continue to utilize his best efforts and skills to perform his duties as Interim City Manager after notice is given to end the interim appointment, and shall fully cooperate with any successor designated by the City Council.

8. INDEMNIFICATION

City shall defend, hold harmless and indemnify Employee against any tort, professional liability claim or demand or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the course and scope of Employee's duties as Interim City Manager, in accordance with the provisions of California Government Code Section 825 and shall provide a defense in accordance with Government Code Sections 995, *et seq.*, subject to the limitations and qualifications contained in said statutes. City may compromise and settle any such claim or suit and pay the amount of any settlement or judgment resulting therefrom. The obligation to defend and indemnify Employee shall survive the termination or expiration of this Agreement as to liability incurred during the term hereof.

9. BONDING

City shall bear the full costs of any fidelity or other bonds required of Employee under any law, ordinance, regulation, contract or covenant.

10. OTHER TERMS AND CONDITIONS OF EMPLOYMENT

- A. The City Council, in consultation with Employee, may establish other terms and conditions of employment, as it may determine from time to time are in the best interests of the City, relating to performance of Employee, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this Agreement, the City Charter or any other law or regulation.
- B. All provisions of the City Charter, the Pasadena Municipal Code, the regulations and rules of City relating to vacation and sick leave, retirement and pension system contributions, holidays and other allowances, benefits and terms of employment as they now exist shall continue to apply to Employee, in addition to the compensation provided specifically for the benefit of Employee as herein set forth.

11. NOTICES:

Any notice required or permitted by this Agreement shall be given in writing and by personal delivery or prepaid first class, registered or certified mail, and addressed as follows:

TO CITY: City Clerk
 City of Pasadena
 100 North Garfield Avenue
 Pasadena, CA 91101

TO EMPLOYEE: Bernard K. Melekian
 Interim City Manager
 100 North Garfield Ave.
 Pasadena, CA 91101

Any such notices shall be deemed given upon delivery, if personally delivered, or, if mailed, upon receipt or upon expiration of three (3) business days from the date of posting, whichever is earlier. Either party may change the address at which it desires to receive notice upon giving written notice of such request to the other party.

12. GENERAL PROVISIONS:

- A. The text herein shall constitute the entire Agreement between the parties. It is not assignable by either party.
- B. This Agreement shall be binding upon and inure to the benefit of the heirs at law and executors of Employee.
- C. This Agreement shall become effective upon signing by both parties and approval of the City Council.
- D. If any provision, or any portion thereof contained in this Agreement is held unconstitutional, invalid or unenforceable, the remainder of this Agreement, or portion thereof, shall be deemed severable, shall not be affected and shall remain in full force and effect.
- E. Any dispute between the parties regarding the interpretation or application of any provision of this Agreement shall be referred to mediation by a mutually acceptable mediator. Should said mediation fail to resolve such issues, they shall be arbitrated in accordance with the Rules of the American Arbitration Association.

IN WITNESS WHEREOF, City has caused this Agreement to be signed and duly executed on its behalf by its Mayor, and duly attested by its City Clerk, and Employee has signed and executed this Agreement, on the day and year first above written.

CITY OF PASADENA,
A municipal corporation

BERNARD K. MELEKIAN, Employee

BILL BOGAARD, Mayor

ATTEST:

JANE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:

MICHELE BEAL BAGNERIS, City Attorney